



Connections for Good

our planet, our people, our policies

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At American Greetings, connections are at the heart of who we are and what we do — and that begins with treating our people and our planet with kindness and respect. Our Connections for Good initiative is a commitment to accountability surrounding our social and environmental efforts, because we believe that's what our associates, our stakeholders, and the communities in which we live and work deserve.

As a company that relies on the paper industry for many of our products, we embrace our responsibility to carefully consider our environmental impact, and we are determined to keep making strides in increasing the recyclability of our products, reducing waste, and being a force for good.

Of course, it's not just our planet that depends on our positive strides. Our people depend on that, too.

Diversity and inclusion are vital in ensuring that our consumers can express themselves in an authentic voice that is true to who they are. This means fostering a diverse organization where individuals of different backgrounds, perspectives, skills, and experiences can learn, create, and celebrate together. We will continue to cultivate an inclusive culture with policies that enable all associates to feel respected, supported, and valued — not just for the good of the business, but for the good of everyone.

Connections are at the core of our mission, vision, and values. Because connections don't just fuel or inform the work we do, they are the work we do. I am proud to share our progress and our ambitious goals in the pages that follow as we continue to strive to make the world a more thoughtful and caring place.

JOE ARCURI
CHIEF EXECUTIVE OFFICER

Making the world a more

thoughtful & caring place

every single day.



Connections for Good



Our Planet

Making the world a more thoughtful and caring place starts with respecting our planet's limited resources and our role in sustaining them. We're dedicated to incorporating sustainable practices in both our day-to-day operations and our long-term planning.

Our People

We believe in a holistic approach to embracing diversity, equity, and inclusion that encompasses every area of our organization. Enriching the lives, passions, and careers of our associates is what empowers all of us to feel good and do good. Through our Employee Resource Networks, wellness programming, training opportunities, and more, we put care into cultivating a vibrant corporate culture and sense of community.

Our Policies

We know that an ethical and honest approach to business starts with the tone at the top. Our Board of Directors and CEO set the highest standards for how we operate through all facets of the organization. Our policies and practices are designed to affirm and reinforce every associate acting with a high degree of integrity every single day.



Our Planet

As a company dedicated to making the world a more thoughtful and caring place, we recognize the importance of our planet's limited resources and our role in sustaining them. With that in mind, American Greetings launched Actively Green, a corporate-wide program to advance our sustainability efforts. Actively Green has five company-level goals to be achieved by 2025.

The goals are formed around five "R's": **R**esponsible Sourcing, **R**ecycled Paper Use, **R**educing Throwaway, **R**ecyclability, and **C**orporate **R**esponsibility. These goals involve updating our products, processes, and personal practices to become a more environmentally conscious organization.

Extensive planning, research, and collaboration went into creating sustainability goals that both align with our business strategy and make a meaningful impact. Some examples of AG going actively green include making eco-conscious product decisions, reducing corrugated shipping and display waste, increasing the use of sustainably sourced paper, and planting trees to offset paper usage at our corporate offices.

Our global team is also making big strides in their efforts to combat climate change and conserve natural resources. Through offsetting carbon emissions, transitioning to a fleet of electric vehicles, introducing paper made from recycled fibers, and much more, the global team is aligning practices and corporate culture with the United Nations Sustainable Development Goals.

"In today's world and beyond, sustainability has to be part of any long-term business strategy," said CEO Joe Arcuri. "At AG, we are accelerating our sustainability efforts and all associates are encouraged to get involved and contribute to this critical initiative for our company and the communities in which we live and work."

As consumers, retailers, and supply chains prioritize making sustainable choices, AG will continuously work to get better through the Actively Green program. We know that our future depends on every organization and every person doing their part to help protect the planet.

"In today's world and beyond, sustainability has to be part of any long-term business strategy."

- JOE ARCURI, CEO

North America

By 2025, American Greetings will:

90% 

Source 90%+ of all the paper we use from sustainable sources^{R1}

200 tons 

Eliminate 200 tons of landfill waste at AG Creative Studios^{R5}

10% 

Ensure that at least 10% of the paper fiber we use is post-consumer waste content^{R2}

90% 

Offset 90%+ of the AG Creative Studios carbon footprint through reforestation efforts^{R5}

50% 

Reduce the amount of municipal waste we send to landfills by 50%^{R3}

R1 — Data include paper purchased through North America, Asia, and the UK related to all product categories. Base year: FY17 (March 2016 – February 2017).

R2 — Data include American Greetings branded greeting cards. Base year: FY17 (March 2016 – February 2017).

R3 — Data include US distribution and North American retail (excluding Plus Mark), all product categories. Base year: FY17 (March 2016 – February 2017).

R5 — Based on Westlake AG Creative Studios office. Base year: FY18 (March 2017 – February 2018).

Kroger Conversion



A Green Takeover

In 2020, card departments in 1,991 Kroger stores across the U.S. were converted to American Greetings product. During the transition, AG diverted 1.1 million pounds of waste away from landfills — equivalent to 2.5 Statues of Liberty.

AG's operations team utilized Kroger's on-site recycling processes as well as outside recycling services. Materials were separated into three specific recycling waste streams: one for plastic film, a second for corrugate, and a third for metal and wood scrap. Teams were able to utilize Kroger's existing corrugate balers and plastic recycling systems on-site, while a waste removal and recycling service removed the metal and wood scrap from the previous fixtures.

Additionally, in 50 Kroger stores, AG was able to collect and donate nearly a quarter of a million cards to a nonprofit organization. This small scale, cost-neutral donation contributed to AG's sustainability goals as well as to the greater good.

Merchandising



Sustainability on Display

American Greetings knows that when it comes to sustainability, our retail presence matters. AG uses free-standing displays to merchandise greeting cards, gift wrap, and tissue for major holidays. Previously, AG used corrugated displayers that were disposed of after each holiday season. As a part of our Reduce Throwaway goal, AG is making the shift to semi-permanent sustainable displayers that can be reused season after season. In cases where temporary displayers are still necessary, the corrugate has been updated to a neutral color that allows it to be used for multiple holidays. In just one of our key retailers, this change will eliminate 350 tons of waste and the use of approximately 300 trailers annually.

“Just because we’ve always done something a certain way doesn’t mean that it’s the only option. Keeping sustainability top of mind drives us to find ways to do things a little differently that are good for the business and for the planet.”

- ISAAC MILLER, DISTRICT SALES MANAGER

United Kingdom, Australia & New Zealand

As a leading celebrations company, UK Greetings (UKG) is committed to doing everything we can to support the United Nations-led push for a fairer, more sustainable future for all. This means integrating sustainability into the fabric of our company and our strategic imperatives, starting from our day-to-day operations all the way through our products. Through our sustainability strategy, we're poised to make a positive impact on 11 out of 17 of the United Nations 2030 Sustainable Development Goals. Guiding us on this mission are our core values of creativity, collaboration, innovation, people, and success.

Creating celebrations products that help build connections while also respecting the planet is vital to who we are. Ultimately, our goal is for all of our products to be sustainable and fully recyclable, helping to conserve natural resources. We've incorporated this goal into our product innovation, which includes ending the use of glitter on all brand lines, removing 275 tons of non-recyclable plastic cello overwrap on our single cards, using only fully recyclable ink, varnishes, and envelopes, and exclusively sourcing Forest Stewardship Council® (FSC®)*-certified envelopes.

Ensuring that our products are sustainably transported is vital to reducing our carbon footprint, which means working with distribution partners who share our mission. For sourcing and transportation, we work with a sea freight company that shares our sustainability ambitions and offers climate-neutral transport solutions. Once our products are on the road to customers, they're transported by a distribution partner with a strong commitment to high environmental standards.

UKG is passionate about making a positive impact, and we aim to lead our industry in rethinking the way we produce and distribute our products — because we are committed to serving our community and the planet for the long term. We will continue to set impactful goals in every aspect of our business to reduce climate change and conserve our planet's precious natural resources.

*Trademark License Code: FSC-C138823



"Through creativity, technology, and innovation, we continue to improve our processes and products to protect our planet today and in years to come."

JAMES CONN
PRESIDENT, UK GREETINGS

Transportation



UKG Goes Electric

In an exciting stride forward in our mission towards a carbon-free future, the UKG team replaced our mailroom diesel vehicle with a new electric car in March of 2019. To further reduce carbon emissions, UKG has committed to acquiring a fully rechargeable fleet of vehicles, as well as installing several electric charging points across sites to encourage employees to make the switch to electric. Surface transport accounted for 22% of UK carbon emissions in 2019, and the shift to all electric vehicles will reduce the CO2 emission from UKG's fleet from 1.2 tons per year to zero.

"The arrival of this vehicle marks the start of our commitment to reducing our fleet-associated carbon emissions. Our steadfast approach will ensure we make the right decisions and choices to protect our environment for today and for the future."

- CHRIS SHAW, HEAD OF SAFETY & SUSTAINABILITY

Our People

If you were to ask anyone at American Greetings what they liked most about their job, chances are they would respond, “the people.” That’s a point of pride for us. As a company, we work to cultivate a dynamic workplace that welcomes a diversity of talents, backgrounds, and perspectives. We believe that having a vibrant, varied culture and a positive presence in the community empowers all of us to make a difference in the marketplace and demonstrates how much we care about consumers and connections.

In the words of Kelly Ricker, Chief Creative Officer and Chief Inclusion Sponsor:

“During my career here, I’ve been continually inspired by every person I’ve met and what makes them unique. It’s easy to see that we’re at our best when we bring our diverse skills, experiences, and knowledge together and work toward common goals. We become stronger as a company as we engage a more diverse workforce and develop a more inclusive culture.”



Diversity, Equity & Inclusion

We're proud that our products help hundreds of millions of people celebrate and connect with the ones they love. To reach such a large and diverse audience, AG aims to have a diverse workforce. Our goal is to recruit, develop, and grow associates from different backgrounds and perspectives, then bring them together to work toward making the world a more thoughtful and caring place.

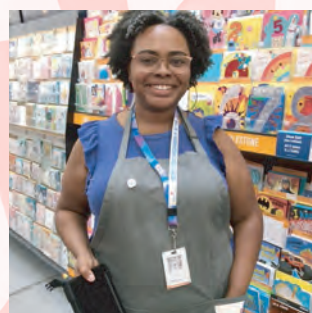
One way we grow our team of talented and engaged associates is through the hiring of undergraduate sophomores and juniors as summer interns. Over an immersive ten weeks, these individuals become familiar with AG's culture, gain valuable work experience, and build skills in a range of fields, including illustration, marketing, human resources, product management, supply chain, web design, and more.

AG interns further their hands-on experience through involvement on active projects that are aligned to our strategic priorities as a company. Additionally, interns grow their communication and leadership skills through collaboration with peers, informal networking, and mentorship opportunities.

Overall, this breadth of professional enrichment instills interns with the confidence, knowledge, and enthusiasm needed for a successful future.



Talent Development



For over 100 years, American Greetings has embraced a culture of growth. As a company, we believe that everyone, regardless of department or role, can bring creativity and innovation to their jobs. We aim to help our associates build upon their skills while also seeking and identifying new opportunities to propel their careers upward. That is why we invest in the personal and professional development of our associates through activities like:

- *Coaching & Feedback Training*
- *Compliance Training*
- *Creative Skills Workshops*
- *Effective Brainstorming Training*
- *Events & Exhibitions*
- *Guest Speakers*
- *imAGine University Classes and Training Sessions*
- *"Lunch & Learn" Programming*
- *Merchandiser Job Training*
- *OSHA Training*
- *Performance Management Training*
- *Unconscious Bias Training*

Career Paths

Every day American Greetings sells thousands of products that help consumers celebrate and stay connected with the ones they love. This requires an associate base that is at once highly creative, exceedingly analytical, and operationally strong. Writers, designers, photographers, data scientists, business managers, technologists, merchandisers, marketers, sales leaders, and more all have compelling and fulfilling career paths at AG. Here are just a few examples of those building their careers at American Greetings.

KEITH ALLEN
Senior Product Designer



AG's innovative card formats are a result of dynamic designers like Keith. His wide array of skills includes graphic design, paper engineering, creative concepting, hand lettering, and illustration.

"I really enjoy the wide variety of work and the fast-paced design challenges," says Keith. "I work with amazingly talented people, and seeing how everyone's unique specialties come together to problem-solve or create an entirely new card format is always inspiring."

ROGER LEAKE
Lithography Support Manager



Roger has been a proud AG employee for over 40 years. Since starting as a Material Handler in 1980, he has held many different roles in manufacturing leading up to his current position. Roger's responsibilities include warehousing, shipping, receiving, pre-press, planning, and more. He cites his problem-solving and math skills as vital to his day-to-day tasks.

"AG is an exciting and unique company," says Roger. "Getting to work with such great coworkers is the most rewarding part. I love working for AG so much that my son works here as well. It's a great job, and a great company."

KATHERINE HENTERLY
Senior Merchant Manager



Katherine works on the direct-to-consumer eCommerce team within AG Interactive. She works daily with a cross-functional team of merchandisers, testing experts, designers, and more. Data analysis and Excel skills are key in her role.

"It's a lot of fun seeing how our customers respond to new content and product releases throughout the year," says Katherine. "It's always exciting to see enthusiastic customer reviews come in after we release a new Celebrity SmashUp."

SARINA TURNER
Insight & Analytics Industry Lead



While words are at the forefront of many of AG's products, Sarina finds that numbers do a lot of the communicating behind the scenes.

"I love data analytics, so having a job where I get to be a storyteller using data to support decision making is exciting," says Sarina.

Her background in Industrial Engineering has equipped her with skills in statistics, mathematics, and computer software that she uses daily to lead her team of analysts. Sarina also says her natural curiosity is key in her role.

"Having a unique expertise within the company brings a lot of excitement to my job."

Employee Resource Networks



We understand how important it is for all individuals to feel valued, supported and connected in the workplace. AG sponsors eight Employee Resource Networks (ERNs) to give associates a space to find and foster connections, support, and community. We believe that when people come together to bond over shared experiences or interests, it sparks a belonging that invigorates our entire organization. Our ERNs are extremely active in hosting events, sponsoring cultural celebrations, influencing product and company policy, and leading philanthropic activities.

Each ERN has at least one associate lead as well as an executive sponsor. These leaders take great care in highlighting the importance of their respective groups and celebrating the ways that ERNs inspire creativity, fuel productivity, and help unlock our fullest potential.

LEARNING ABOUT
EACH OTHER
connecting all

Employee Resource Networks



"American Greetings has been able to engage the AARN to enhance product for the Black community, and enact change across the company due to our presence at Creative Studios. It has been an honor for us to serve in this capacity and to know that we are helping AG make change as we continue to evolve and grow."

- JAMENDA WHITEHEAD



"The Green Team provides associates the opportunity to play an active role in advancing sustainability initiatives within our company and our communities. We're learning, growing together, and encouraging all associates to come along on the journey. Big changes don't happen overnight, but rather through small, repeated changes — and the Green Team is helping to lead the way!"

- AMY HUBER



"Our HRN members share an understanding of a culture that has been grouped into one, but is a melting pot within itself. We represent one of the largest minorities in the US, whose purchasing power grows every year, in addition to its growth in the workforce. We are a resource for our product and our partners, and we are here to provide a better understanding of this community. We also like to have fun!"

- ANGELA MERCADO



"The PRN is a space where parents of all different backgrounds can come together to share experiences, make new connections, and add skills to their parenting toolboxes. We want to create a sense of success, both at home and at work, by helping to alleviate some of the stresses that come with being a working parent."

- RACHEL WESLEY



"Our group's LGBTQIA+ advocacy and visibility, combined with leadership support, help to make associates more comfortable bringing their whole selves to work and living their lives authentically. Also, our work on product development has been critically important in connecting with members of the larger LGBTQIA+ community."

- JUSTIN RAINES



"Communication and leadership skills are essential to any organization. Toastmasters serves as an indispensable resource to all associates for the development of communication skills in a welcoming and supportive environment."

- STACIE KNISLEY



"The WLC is a network of professional women who share their perspectives, support and teach one another, and provide a sense of safety, all while continuously developing as leaders within our organization. Empowering women to grow in their career and influence company growth positively affects corporate culture and inspires everyone to embrace the leader within themselves."

- ALYSSA ABRAHAM



"YPRN is important because professional development and networking are vital stepping-stones early on in one's career. We provide a space to foster that professional growth through various events and service opportunities, which help to attract and retain talent across the company."

- KATHLEEN WAZEVICH

Pride@AG

Supporting the LGBTQIA+ Community

As part of our continuing commitment to make American Greetings an inclusive and welcoming place for all associates regardless of identity or orientation, we participate in the yearly Corporate Equality Index (CEI) survey put out by the Human Rights Campaign (HRC).

Over its 40+ year history, the HRC has been guided by its mission to “end discrimination against LGBTQ people and realize a world that achieves fundamental fairness and equality for all.” One of the ways the HRC carries out this mission and effects change is through its CEI survey, which functions as a “national benchmarking tool on corporate policies, practices, and benefits pertinent to lesbian, gay, bisexual, transgender, and queer employees.” It sets standards of inclusion and allows participating companies to track how well they are meeting these standards.

For the year 2022, AG was awarded the top CEI score of 100. This score also earned us a spot on HRC's official "Best Places to Work" list. We achieved this by meeting criteria such as the following:

- *Having workforce protections that cover all sexual orientations and gender identities*
- *Providing inclusive benefits for transgender individuals and those in same-sex partnerships*
- *Supporting an inclusive culture and corporate social responsibility by demonstrating at least three LGBTQIA+ internal best practices across the workforce, having an LGBTQIA+ employee resource group, and making at least three distinct efforts of outreach or external engagement*

with the LGBTQIA+ community

And taking steps such as...

- *Updating our Equal Employment Opportunity (EEO) policy*
- *Supplementing gender affirmation insurance coverage*
- *Creating Corporate Giving Guidelines to ensure that our philanthropy is aligned with our values and policies*

AG has taken steps beyond the specific CEI survey criteria to advance our efforts in this space. Driven by the enthusiasm and thoughtfulness of AG associates, we successfully crafted Gender Transition Guidelines, joined Ohio Business Competes (a nonpartisan coalition of businesses committed to achieving nondiscrimination policies at the state level), and continue to amplify LGBTQIA+ voices and occasions through product, marketing, and social media.

Motivated by our 100-point score, we look forward to continued participation in the CEI survey and the ongoing opportunity to strengthen AG's company-wide dedication to LGBTQIA+ inclusion.



Culture Talks

Since diversity enriches the communities in which we live and work, we believe that gaining a better understanding of each other's beliefs, backgrounds, religions, upbringings, values, and perspectives makes us a more unified and compassionate organization.

This is why our UK team hosts Culture Talks: to celebrate and highlight the differences of the many unique individuals who make up our workforce. We share these Culture Talks on our internal UKG website to entertain, inspire, and educate all associates.

Some of our Culture Talks have included:

*Talking Ramadan
with ABU ADAM*



*Celebrating the Summer Solstice in Latvia
with MONTA FRYER*



*World Hijab Day
with TANYA AKHTAR*



*Talking Eid
with SIDRAH AL*



*Talking Hajj
with SAMINA & ABU*



*What Pride Means to
ANGIE RIDER*



Product Development

American Greetings leads the celebrations industry with product and marketing that represents all consumers. We publish an array of products and social media assets that celebrate the holidays and relationships that are uniquely meaningful to diverse communities. Many of these products are created by our Inclusivity Creative Team, an interdisciplinary group of experts that specialize in creating this content.

The Inclusivity team's role is to ensure authentic representation of diverse consumers and their content preferences. This means constantly researching and learning about different consumers and cultures. The Inclusivity team often works with AG's Employee Resource Networks, external consultants, and other community members outside of AG to develop just the right content.

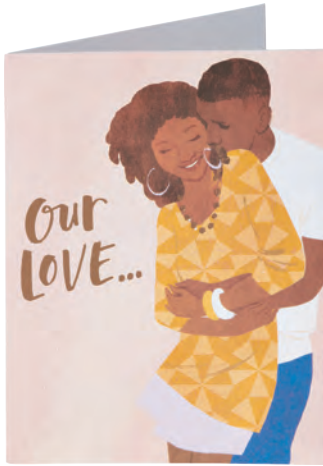
According to Inclusivity Editorial Lead Maria MacNamara, the only way to make products that feel truly inclusive is to see them “as part of who we are, and not just what we’re creating.” This means continually building knowledge, challenging our thinking, and expanding our network of contributing voices. According to Maria, “The world is constantly changing and a big part of our role is to make sure we’re changing with it.”



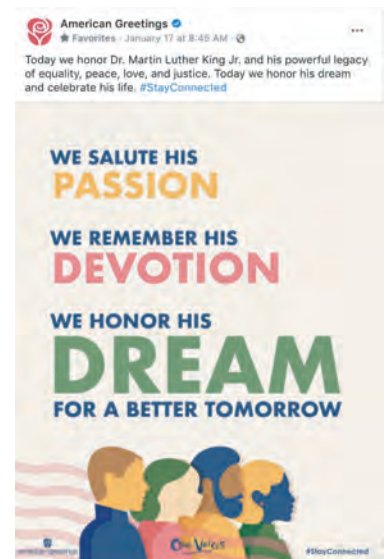
Everyone should feel seen in our products – no matter who you love, the color of your skin, the occasions you celebrate, or anything else that makes you unique. It is essential our product offering conveys a sense of belonging, giving all consumers the opportunity to form meaningful connections for the moments that matter most.

ERIN MCLEOD
SENIOR PROGRAM DIRECTOR – D&I AND TARGET FEATURES

Product Development



Celebrating the Black Community

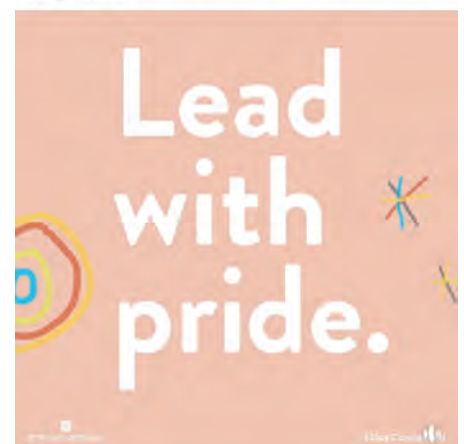
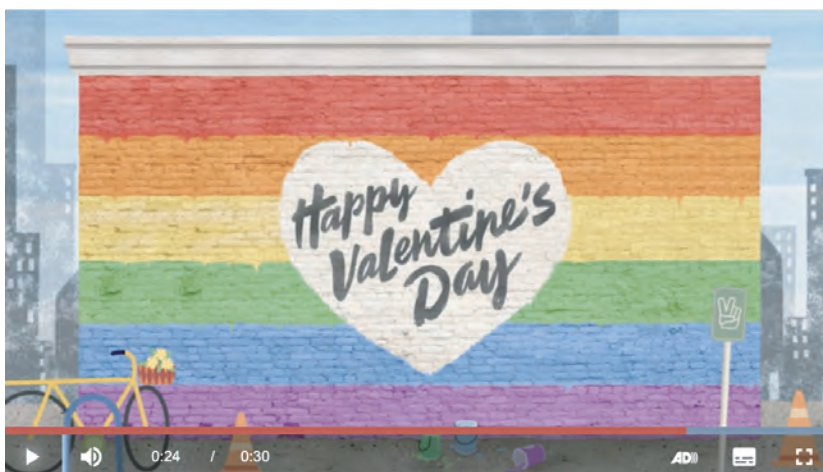




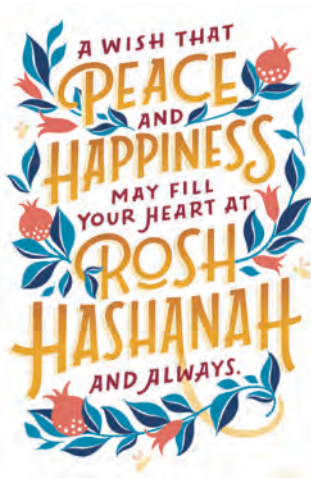
Product Development



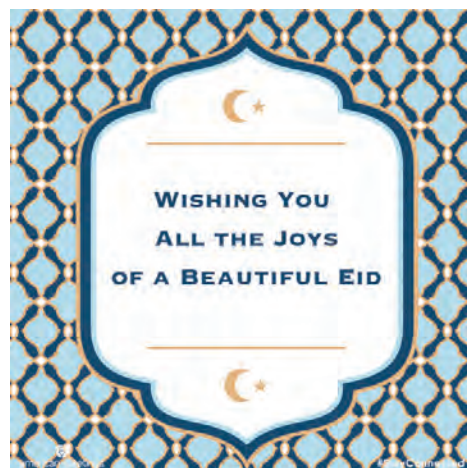
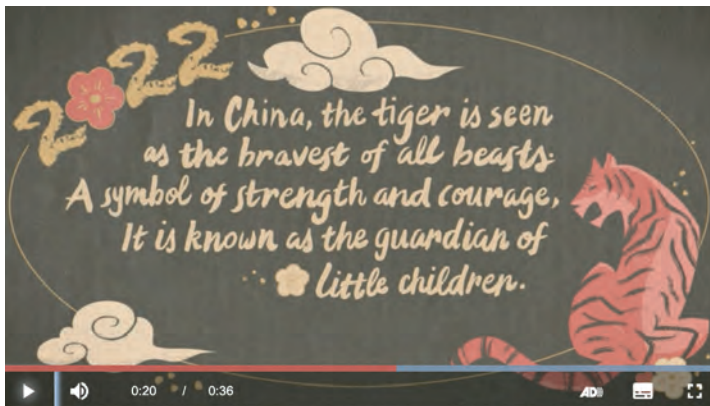
Celebrating the LGBTQ+ Community



Product Development



— Celebrations for Additional Communities —



Community Outreach & Engagement

The Greeting Card's New Superpower

Everyone knows greeting cards can make hearts happier, but American Greetings has discovered that cards may help to make hearts healthier, too.

A group of experts from Cleveland Clinic teamed up with our business and creative partners at American Greetings to create the MyROAD® (My Recorded On-Demand Audio Discharge) card. This innovative card helps patients and caregivers with the emotional and overwhelming experience of being discharged from the hospital.

The card provides four key pre-recorded messages for heart failure patients, focused on the critical first 30-45 days of self-care after hospital discharge. The playback capabilities and the format designed by AG promote continuous engagement in the card. Combined with the audio messages, it further encourages the healthy behaviors required for long-term self-care.

In November 2020, clinical trial results for the MyROAD® card were presented at the annual American Heart Association meeting. The results demonstrated the positive impact the MyROAD® card has on patients discharged with heart failure. The study showed a significant reduction in patients readmitted within 30 days of discharge from the hospital, and even reduced the incidence of death.

"We've always known that greeting cards play a significant emotional role in people's lives, but this transcends to physical health and well-being," said Allison Marsh, Director, New Business Development. "That's a whole new superpower."

The MyROAD® card made its debut in Cleveland Clinic beginning September 2021. The cards will help guide 10,000 heart patients on their recovery journey.

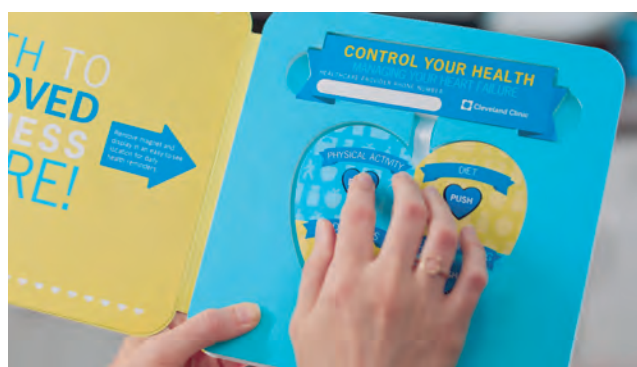
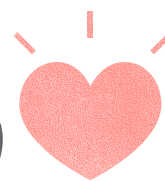


"American Greetings is proud to collaborate with Cleveland Clinic on such an innovative product aimed at harnessing the power of greeting cards to help improve health outcomes," said Kelly Ricker, Chief Creative Officer. "This is a great example of AG's entrepreneurial and innovative spirit."

The MyROAD® cards will help guide
10,000

heart patients

on their recovery journeys.



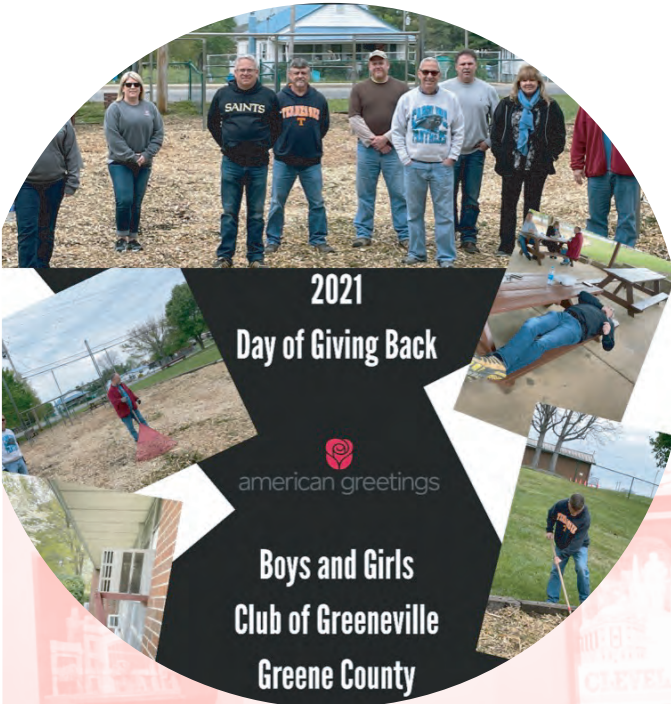
Community Outreach & Engagement

Our Mission in Action

American Greetings has a long and proud tradition of serving the communities in which we work and live. We care about our people, our communities, and our planet and treat each with kindness and respect. Whether it's through fundraising and donation drives, educational scholarships and public event sponsorships, or acts of service and volunteerism, the people of AG truly live out our mission of making the world a more thoughtful and caring place.

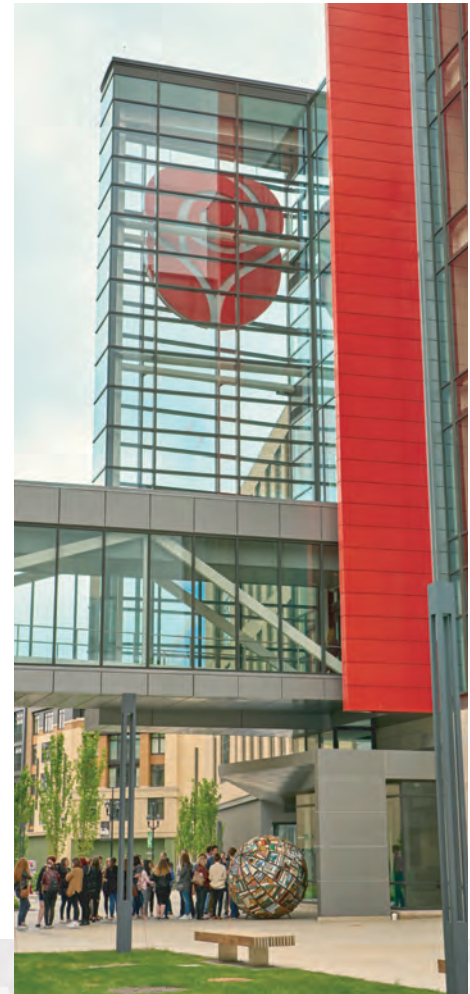
Here are just some examples of community outreach and engagement activities:

- ***“Back-to-School Bash” backpack donation drive***
- ***Pajama donation drive for 411 House to benefit children in foster care***
- ***Work day with the Boys and Girls Club of Greeneville to improve playgrounds and gardens***
- ***Endowed scholarship to Cuyahoga Community College***
- ***Eyeglasses donation drive through OnSight and EyeMed***
- ***Fundraising benefit as well as book and computer donations to support Cleveland’s Rainey Institute, which provides arts education programming for all ages***
- ***2021 “Pride in the CLE” partner***



Our Policies

At American Greetings, we believe that good corporate governance goes a long way toward building and maintaining trust. Our employees are guided by our values to be safe, maintain the highest integrity, treat everyone with dignity and respect, focus on our customers, and be excellent in all we do. Our corporate policies and practices are designed to ensure that these values are continuously upheld at all levels of our company.



"Protecting the interests of our stakeholders, customers, and associates is of the utmost importance to how we do business. We're proud that our approach to corporate governance is inspired, guided, and strengthened by our core values, particularly treating people with respect."

CHRIS HAFFKE
GENERAL COUNSEL AND CHIEF HR OFFICER

Corporate Governance

Board of Directors

The American Greetings Board of Directors oversees the interests of the company and its stakeholders in the long-term health, overall success and financial strength of the business. The Board comprises of six members, including seasoned financial and operating partners from Clayton, Dubilier & Rice, family members of the company's founders, and our Chief Executive Officer. Together, our Directors bring decades of experience as owners and operators in consumer packaged goods businesses, the retail sector, and the celebrations industry.

Our Board of Directors follows, both formally and informally, governance principles designed to ensure that it provides AG with informed and competent oversight that serves the interests of the company and its stakeholders. To assist in the oversight function, the Board has standing Audit and Compensation Committees, each of which has three Directors and meets regularly. The Audit Committee reviews the adequacy of our financial policies and procedures, compliance with those procedures, and systems of internal control. In addition, it

oversees the integrity of our financial statements and related auditing, accounting, and financial reporting processes. The Compensation Committee reviews and approves the policies, programs, and procedures related to compensation of the company's executives.

The Board of Directors also reviews and ratifies our environmental and social sustainability strategies. In this capacity, they oversee our sustainability program and human capital management practices, including diversity and inclusion efforts.



Corporate Governance

Code of Conduct

American Greetings is committed to a policy of complying with the law wherever we do business and maintaining high standards of business conduct. These principles, which apply globally, are the basis of our ethical business practices and the foundation of our success. Each year, American Greetings associates are required to certify that they have read and are in compliance with our Code of Conduct and Business Ethics. The Code of Conduct covers a variety of areas including the following:

- Antitrust Laws
- Accurate Books and Records
- Confidential Information
- Equal Opportunity / Anti-Harassment Policies
- Conflicts of Interest
- Fair Dealing
- Foreign Corrupt Practices Act
- Insider Trading
- Political Contributions
- Software & Intellectual Property
- Reporting Violations or Concerns

Additionally, we work with suppliers who share our principles of product safety, obeying labor laws, safety at work, diversity, the fight against corruption, and respect for human rights. Current and prospective suppliers are required to provide evidence that a third-party social compliance audit has been completed and approved at the supplier's location within the previous 12 months.

Whistleblower Policy

American Greetings maintains a “We Care Hotline” whereby associates of AG and other operating subsidiaries can report Code of Conduct violations or other concerns by phone or through the web. The We Care Hotline is available 24 hours a day, 365 days a year. The hotline is staffed and managed by a third-party service provider that is not affiliated with American Greetings. It is American Greetings policy not to discharge, demote, suspend, threaten, harass, or in any other manner discriminate against whistleblowers.



Compliance

Environmental Health & Safety

American Greetings is committed to protecting human health and safety and the natural environment. We operate in strict compliance with applicable Environmental Health & Safety (EHS) law, regulations, and governmental requirements in keeping with good corporate citizenship. Below are the core elements of our EHS program:

- Management Leadership
- Employee Participation
- Hazard Identification and Assessment
- Hazard Prevention and Control
- Education and Training
- Program Evaluation and Improvement

Regulatory

American Greetings is committed to distributing quality, safe, and environmentally responsible products in compliance with applicable laws and regulations. Our product safety and compliance program is designed to meet the regulations, standards, and best practices identified and enforced by the Consumer Product Safety Commission (CPSC) and its regulatory counterparts around the world. This includes:

- U.S. Consumer Product Safety Improvement Act (CPSIA)
- U.S. Federal Hazardous Substances Act (FHSA)
- European Toy Safety Directives (TSD)
- REACH
- RoHS
- California Prop 65
- Additional U.S. state chemical laws and reporting requirements

We monitor regulatory changes and industry initiatives to ensure compliance and make adjustments when appropriate. Requirements are documented in our Product Safety and Compliance Manual, which is distributed to our suppliers and requires an annual declaration of compliance. Product testing is the final step in our strategy and is used to verify that a particular risk has been eliminated or mitigated to an acceptable level.

Compliance

Supplier Qualification

Suppliers of American Greetings undergo a thorough risk-based vetting process in the initial diligence phase and as part of the onboarding process. We routinely monitor our suppliers thereafter. The qualification and monitoring process includes onsite factory inspections, raw material validation, product safety testing, finished product quality inspections, and assured compliance to the American Greetings Product Safety and Compliance Manual and the American Greetings Supplier Code of Conduct.

In addition, on an annual basis our audit program evaluates supplier practices relative to local and international labor standards, quality, supplier management, health and safety, and environmental impacts. See our Supplier Code of Conduct for more information.

Tax

American Greetings is committed to following all applicable laws and regulations relating to taxes and maintaining a transparent and constructive relationship with tax authorities in all jurisdictions where we do business. We ensure that our governance process for managing tax positions is appropriate and robust and apply diligence and professional care in carrying out our tax responsibilities and reporting.



Risk Management

Information Security

We recognize that information security is vital to the health and success of American Greetings. In today's world, the data that we collect and use is one of our most valuable assets. To protect it, we have a comprehensive set of policies and procedures related to Information Security, Data Privacy, and Data Handling. Our Chief Data Officer and Chief Information Security Officers are accountable for administration of the policies and ensuring that they are comprehensive and up-to-date.

Our broad goals around information security are to maintain the confidentiality, integrity, and availability of data. We use the NIST (National Institute of Standards and Technology) security framework and a core set of security principles as the foundation for our policy. These security principles cover the following concepts:

- Universal Participation
- Risk-Based Security
- Deny All That is Not Explicitly Permitted
- Least-Privilege
- Defense-in-Depth
- Compartmentalization
- Secure Failure
- Separation of Duties
- Defense through Simplicity
- Dedicated Function
- Need-to-Know
- Effective Authentication and Authorization
- Audit Mechanisms

We recognize that our associates are important guardians of our data. Targeted phishing campaigns and other cyberattacks are becoming increasingly sophisticated and more common.

We use a comprehensive set of training and testing techniques to ensure that our associates are well versed in the newest and most common forms of security threats and are trained to avoid them. Our program includes:

- Mandatory security essentials training for all associates, conducted annually
- Quarterly phishing tests and remedial training for those who fail
- Information sessions, guest speakers, and training videos during National Cyber Security Awareness Month
- Various other activities and training opportunities throughout the year

Internal Audit

Our internal audit team periodically conducts comprehensive, company-wide risk assessments covering key business and functional areas. The assessment focuses on the following five primary types of business risk:

- Strategic
- Compliance
- Operational
- Financial
- Reputational

We use the COSO (Committee of Sponsoring Organizations of the Treadway Commission) method to identify the universe of risks applicable to AG, and risks are scored according to likelihood and impact. Existing countermeasures to mitigate risk are documented and evaluated. Countermeasures are augmented to address residual risk where appropriate.